

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

POSTAL RATE AND FEE CHANGES, 2006

Docket No. R2006-1

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF UNITED PARCEL SERVICE
REDIRECTED FROM WITNESS MILLER
(UPS/USPS-T21-19(d))**

The United States Postal Service hereby provides its response to the following interrogatory of United Parcel Service, filed on July 26, 2006, and redirected from witness Miller: UPS/USPS-T21-19(d).

The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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August 4, 2006

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UPS/USPS-T21-19. Refer to your response to UPS/USPS-T21-9(d).

- (d) Confirm that the non-machinable shares that are calculated in USPS-LR-L-47 should be used in place of the non-machinable shares in the billing determinants in Section H-1, USPS-LR-L-77. If not confirmed, explain in detail.

RESPONSE:

- d. Confirmed that the method for estimating nonmachinable parcel volumes used in USPS-LR-L-47 (the “LR-47 methodology”) appears to be preferable to the method used in developing the underlying data used in the RPW reports, which were subsequently relied on to develop billing determinants. The Postal Service expects that the LR-47 methodology, or a similar estimation technique, will likely be used to estimate nonmachinable parcel volumes for RPW purposes in the future. Therefore, future versions of the billing determinants will likely incorporate nonmachinable parcel volume estimates derived using the LR-L-47 methodology, or a similar methodology.